

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 93-238-E - ORDER NO. 94-390✓
APRIL 28, 1994

IN RE: Proposed Regulations Governing)	INITIAL ORDER
Recovery of Fuel Costs by Electrical)	PROMULGATING
Utilities.)	REGULATION FOR
)	RECOVERY OF
)	FUEL COSTS

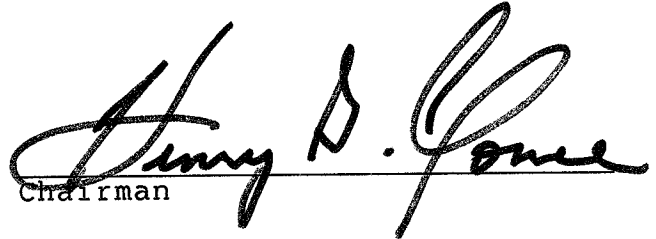
This matter is before the Public Service Commission of South Carolina (the Commission) on the Commission Staff's (the Staff's) request to adopt regulations for the recovery of fuel costs by electrical utilities pursuant to S.C. Code Ann. §58-27-865(F) (Supp. 1993). The Staff's proposed regulations were properly noticed to the public in accordance with the provisions of the Administrative Procedures Act, specifically S.C. Code Ann. §1-23-110 (Supp. 1993). A public hearing was held on March 18, 1994, at which time interested parties were able to express their views on the Staff's proposed regulations.

After consideration of the Staff's proposed regulation, testimony and exhibits of record, and the applicable law, the Commission hereby promulgates the attached regulation and directs the Staff to submit the attached regulation governing the recovery of fuel costs by electrical utilities to the General Assembly for

approval. A further Order will be issued which fully addresses the Commission's decision and motions of the parties.

IT IS SO ORDERED.

BY ORDER OF THE COMMISSION:


Chairman

ATTEST:


Executive Director

(SEAL)

PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

CHAPTER 103

STATUTORY AUTHORITY: S. C. CODE ANN. SECTION 58-27-865(f)(SUPP. 1993)

Synopsis: These regulations are proposed in order to establish a procedure for the Commission's fuel hearings.

Instructions:

Add the following after 26 S.C. Regs. 103-392 (1976).

Subarticle 9 Recovery of Fuel Costs by Electrical Utilities

103-393 For nuclear outages of less than 100 hours occurring in the review period, the utility shall recover all replacement fuel costs associated with the outage if the system has achieved a one-year net capacity factor in excess of the two-year simple NERC average net capacity factor. In considering outages which span more than one review period the consideration will be based on total outage hours.

For all other nuclear outages in the review period the Commission shall conduct a prudence review. The burden of proof shall be on the utility to show the reasonableness of its actions and decisions in relation to the outage.